This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

**Usage guidelines**

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

+ *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.

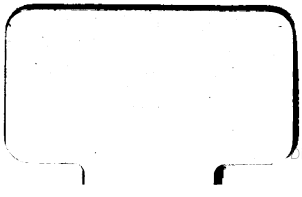
+ *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.

+ *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.

+ *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

**About Google Book Search**

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at `http://books.google.com/`



Digitized by Google

# What Every Foresighted Business Man Should Know

86 answers *to*
important questions
*about a*
Trust Company

COLUMBIA TRUST COMPANY, New York

In Financial District: 60 Broadway
In Shopping Centre: Fifth Avenue and 34th Street
In Harlem: 125th Street and Lenox Avenue
In Bronx: 148th Street and Third Avenue

*New York*

Digitized by Google

KQ
C726w

Oct. 13, 1922.

21015

COPYRIGHT 1920
BY COLUMBIA TRUST CO.

Digitized by Google

X 1400 1-31-3

# *By Way of Preface*

WE are often asked direct questions about our business. While all the information which follows may not be new to you, we trust you will find in this book a great deal that you wish to know.

The Columbia Trust Company's activities are classified under these main heads:

1. Trust Functions, Pages 5 to 18.
2. Banking Functions—Domestic and Foreign, Pages 19 to 27.
3. Safety Measures and Management, Pages 28 to 34.

The Trust functions are perhaps the least understood. They are explained first.

We will be glad to give more extended information upon any question put to us. See last page.

Digitized by Google

Digitized by Google

# *Trust Functions*

Executorship
Administratorship
Trusteeship
Guardianship
Custodianship
Corporate Trusteeship
Corporate Agency

**1. Why should everyone leave a will?**

A properly drawn will is the safest and most economical way of passing on your property to those who come after you.

**2. What happens if you leave no will?**

The law steps in. Regardless of the possible needs of heirs or "next of kin" it settles absolutely how your property shall be divided. Distressing results from the neglect to make a will are common. Besides, it usually costs more to settle an estate when there is no will.

**3. Whose business is it to draw wills?**

A Lawyer's.



Digitized by Google

**4. Whose specialized business is it to execute wills —that is, to settle estates?**

A Trust Company's.

**5. When a Trust Company becomes Executor of a will, what is its first duty?**

To "probate" the will; that is, to file the will in the Surrogate's Court, and, after notice to all interested parties, to offer proof that the will was properly executed by the testator—the person who made the will.

**6. What is the next step?**

The Surrogate issues "letters testamentary" to the Executor. This document gives the Executor his legal authority to act in all matters affecting the estate.

**7. What consecutive steps must then be taken by the Executor?**

(1) Taking possession of all property belonging to the Testator.
(2) Listing all property in complete inventory.
(3) Filing return with Collector of Internal Revenue for payment of Federal Estate Tax. Also, prompt payment of such tax to secure benefit of discount as provided by law.



Digitized by Google

(4) Submitting statement to the State Comptroller for payment of State Inheritance Tax. Also, payment of such tax within six months of death to secure benefit of 5% discount allowed by law.

(5) Advertising for debts.

(6) Paying debts which have been found to be justly due.

(7) Paying legacies and residuary bequests as directed by the will.

(8) Procuring a "judicial settlement" of its accounts to the satisfaction of the Surrogate's Court and all interested parties.

**8. How soon after a will is probated can legacies be paid without liability to the executor?**

Legacies may be paid as soon after the date of letters testamentary as the six months advertisement for debts has been completed. If such advertisement has not been published, a year must elapse before legacies may be paid.

**9. Why is it wiser to have the Columbia Trust Company settle your estate than to have it settled by an individual?**

(1) Because Columbia Trust Company offers an equipment and experience which cannot be expected from any individual, no matter how many times he may have acted as executor.



Digitized by Google

(2) Because Columbia Trust Company has had over thirty years' experience in settling estates. Its officers and counsel know what legal steps are necessary. Its accounting department is so thoroughly organized that systematic handling of every detail of administration becomes a matter of accurate record.

(3) Because Columbia Trust Company makes a business of executorship, and its work goes on without interruption through the illness or other personal incapacity of any individual.

(4) Because Columbia Trust Company has on its own premises vaults and other safeguards for the protection of property of the estate.

(5) Because Columbia Trust Company's Banking Department offers accommodations for all financial transactions which may be necessary or convenient in connection with the settlement of the estate.

**10. What are some of the intricate duties involved in settling an estate?**

(1) To keep careful records of the assets to safeguard against loss.

(2) To collect notes and accounts receivable and rents, coupons and dividends due the estate, so that nothing shall be overlooked or lost by delay.

(3) To provide for the prompt payment of legacies.



Digitized by Google

**11. What fee does the Columbia Trust Company receive for its services as Executor?**

Commissions at rates fixed by law, which are the same as allowed an individual Executor. They are as follows:

5% on the first $1,000.
2½% on the next $10,000.
1% on all above $11,000.

These commissions are based on the amount of principal and income received and paid out by the Executor.

**12. Under what family conditions are two Executors desirable?**

The settling of an estate sometimes calls for a peculiarly personal knowledge of the family's affairs—combined with previous Executorship experience. In such cases a tactful relative or friend can be appointed as Co-Executor to act with the Columbia Trust Company. The necessary business duties of settling the estate—meeting the legal requirements, caring for property, securities, etc.—would devolve upon the Trust Company.

**13. Does this mean double expense?**

Not unless the estate amounts to $100,000 or more. On an estate of less than $100,000, one commission would be apportioned between the executors.



Digitized by Google

**14. What is the Inheritance Tax?**

It is a tax upon the right to receive property under a will or through the death of a person who leaves no will. In the State of New York a tax is assessed upon each separate bequest, not upon the estate as a whole. The amount of the tax depends upon the beneficiary's relationship to the decedent and on the amount of the inheritance. The Federal government also imposes an Estate Tax upon all estates in excess of $50,000.

**15. Would the fees for settling your estate be the same whether you named the Columbia Trust Company as Executor, or named an individual Executor?**

Yes. You can give your estate the benefit of the Columbia Trust Company's long experience in Executorships without an additional dollar of expense.

**16. If willed property held by an Executor is lost, who is responsible?**

The law holds the Executor responsible. It is therefore highly important to name an Executor of the Columbia Trust Company's financial strength and reliability.



Digitized by Google

**17. How many individual Executors are not alive when the time comes for them to act?**

It is impossible to know exactly. The life of the Columbia Trust Company, on the other hand, has no time limit. Its dependability does not rest on the survival of any individual. Its life as Executor is continuous.

**18. Are wills often broken?**

Very infrequently. Of the thousands of wills offered for probate in New York City each year, fewer than one in every 200 is denied probate in the Surrogate's Court.

**19. Is litigation over wills of a preventable nature?**

Yes, largely. It has been estimated that 80% of all such litigation could be avoided by care in making wills. We recommend that you put the drawing of your will in the hands of a capable lawyer.

**20. Is Trust Company Executorship desirable for small estates?**

Yes. All estates, whether involving $5,000 or $500,000, are entitled equally to the benefits of a Trust Company's administration. These benefits insure to small estates the same business experience and judgment and the same safety measures which protect large estates.



Digitized by Google

**21. How can one change the Executor of his will?**

We are frequently asked this question by those who now wish to have the Columbia Trust company settle their estates. The change can be made easily without the expense and trouble of writing a new will. All that is needed is a codicil of a few lines which your lawyer can readily draw for you.

**22. Has any money ever been lost or stolen from the trust funds handled by Trust Companies as Executors or Trustees in New York State?**

Not a dollar.

**23. How is the Trust Department of the Columbia Trust Company organized?**

In two divisions:

INDIVIDUAL Trust Division.

CORPORATE Trust Division.

Both divisions are under the management of a Vice-President of the Company and the Trust Officer. Each division is in charge of an Assistant Trust Officer.



Digitized by Google

**24. What are some other functions of the Individual Trust Department—besides Executor of a Will?**

(1) Administrator.
(2) Trustee under Will or Agreement.
(3) Guardian.
(4) Committee for care of property of Incompetents.
(5) Depositary for Escrows.
(6) Custodian of Will.
(7) Custodian of Securities.
(8) Custodian of other property.

**25. What is an Administrator?**

When no will is left, the estate of the deceased must be divided in accordance with the law. The surrogate appoints an individual—chosen from the next of kin—to settle the estate. The appointee is called an Administrator. The Administrator may or may not be a person whom the deceased would have chosen. That contingency can be avoided by making a will and naming the Columbia Trust Company or an individual to carry out its provisions. The one so named is called an Executor.

**26. What are the functions of a Trustee under a Will or Agreement?**

To receive the principal of the trust fund, invest it and keep it safely invested, and pay the income to the beneficiary, and upon the termination of the trust, to pay over the principal to the persons entitled to receive it.



Digitized by Google

**27. Give an example of a Trust under Agreement.**

*Example*:

A man may name a Trust Company to act as Trustee for his young son. A certain sum of money is set aside as a capital trust fund. For a specified number of years the income of this fund is to be used for the son's benefit. After that, the Trust Company is to pay the principal to the son. Trusts can be arranged so that the income shall be paid to one beneficiary and the principal to another.

**28. What are the duties of Columbia Trust Company as Guardian?**

To take care of the property of children who are under the age of twenty-one; keeping the principal and the income invested, or paying out the income for the support and education of the child, as circumstances require, or the court directs.

An individual is usually appointed to be "guardian of the person." It is the duty of the guardian of the person to see that the child is properly cared for and educated.

**29. What is the legal meaning of "Committee?"**

When a person is incompetent to take care of his own property, a "Committee" may be appointed to take charge of his affairs.

The duties of a "Committee" are similar to those of a Guardian. The appointment is made by the Supreme Court or a County Court.



Digitized by Google

When the Columbia Trust Company is selected to act as Committee of an Incompetent's property, an individual is sometimes appointed to act as "Committee of the Person."

**30. What is an Escrow?**

The word escrow means "scroll" or "writing." An escrow is an agreement accompanying a deposit of money, securities or valuable papers—deposited by two parties to be held for delivery to one or the other or to a third party on the happening of a specified event.

**31. What is the Duty of Columbia Trust Company as Custodian of a Will?**

To keep it safe, subject to the order of the maker of the Will or of his Executor after death. The Columbia Trust Company is Custodian of many Wills in which it is named as Executor and Trustee.

**32. What is the broad function of Custodianship?**

It comprises:

(1) Safe-keeping of securities.
(2) Management of property.
(3) Collection of income.

Under this service, the Columbia Trust Company takes a man's or woman's securities—issues a receipt for them—lists them in books of record and locks them in its vaults. The Company then collects the income the day it is due and credits the amounts to the client's checking account or remits as directed.



Digitized by Google

**33. What are some of the advantages of Custodianship?**

It relieves of all trouble in

(1) Making out of income tax certificates.
(2) Collection of coupons.
(3) Collection of dividend checks.
(4) Collection of mortgage interest and watching tax payments.
(5) Collection of rents and inspection of real estate.
(6) Presentation and collection of bonds called for redemption.
(7) Collection of income from other sources.

**34. What is the difference between "real" property and "personal" property?**

"REAL" property consists of houses and lands. "PERSONAL" property embraces all other property.

**35. Are the trust funds held by the Columbia Trust Company kept separate from its assets?**

Yes. Trust securities and papers are kept apart in separate vaults. They are recorded in separate books. A separate group of employees is responsible for their custody and management.

**36. How do corporations use the Columbia Trust Company?**

Many organizations—railway companies, industrial corporations, etc.—use the Columbia



Digitized by Google

Trust Company as their trustee and agent in various capacities.

*For Example*: The corporation turns over to the smooth-running, specially adapted machinery of the Columbia Trust Company the immense amount of detail involved in the transfer and registration of its stocks and bonds, and the payment of coupons on the bonds and dividends on the stock.

**37. What do the corporate trust functions include?**

(1) Trustee for bondholders.
(2) Trustee under agreements.
(3) Depositary for protective committee of security holders.
(4) Trustee under voting trust agreements.
(5) Transfer agent.
(6) Registrar of securities.
(7) Fiscal agent.

**38. Explain what is meant when the Trust Company acts as Transfer Agent.**

In order to keep accurate records of their stockholders and to transfer stock certificates, corporations often appoint a Trust Company as Transfer Agent.

When stock is issued, the names of its owners are recorded by the Transfer Agent. When stock is to be transferred, the stock certificate is surrendered to the Transfer Agent for cancellation. A new certificate is then issued in



Digitized by Google

the name of the new owner. For every new certificate so issued, an equal number of shares must be canceled.

**39. What does the Columbia Trust Company do as Registrar of Securities?**

For the purpose of keeping a check on the amount of stock issued, it keeps a record, in addition to that kept by the Transfer Agent, of the numbers of the certificates and the number of shares of stock issued by the corporation.

**40. What are some of the functions of the Trust Company as Fiscal Agent?**

As Fiscal Agent, the Columbia Trust Company receives, from a corporation, money to pay dividends on stocks or interest on bonds and notes, and pays to the stockholders or bondholders the dividends or interest when due.

**41. What is a Protective Committee?**

Occasionally conditions arise under which it is necessary for either stockholders or bondholders, or sometimes both, of a corporation to unite for mutual protection either with the purpose of enforcing the payment of a lien or of reorganizing or readjusting the corporation's finances. When this happens, a Protective Committee or a Reorganization Committee is formed and a well-known Trust Company is named as Depositary for the purpose of receiving deposits of stocks and bonds to be held under the terms of the protective agreement or reorganization plan.



Digitized by Google

# *Banking Functions*

**42. How does a Trust Company like the Columbia Trust differ from an ordinary bank?**

The Columbia Trust Company gives you the same banking and check-book facilities as a State or National Bank.

It pays interest on deposits.

It also, unlike most State or National Banks, serves the public in many Trust capacities which have been explained in the preceding pages.

**43. Why should a depositor read carefully the financial statement of his bank?**

For the same reason that he reads the financial statement of his own business and any other business he is interested in.

Statements of the Columbia Trust Company's financial condition are published periodically in New York City newspapers. Quarterly financial statements are distributed by the Company to its depositors. Additional



Digitized by Google

copies are always on hand for public distribution on the Public Desks at all Offices of the Company.

**44. What is one of the most important factors in the safety of a Bank or Trust Company?**

Liquid assets; *i.e.*, actual cash on hand, or investments which can be readily turned into cash.

**45. What proportion of a Trust Company's deposits must be kept in reserve?**

The Federal Reserve Act requires that 13% of demand deposits and 3% of time deposits must be maintained in reserve.

**46. In what manner does the Columbia Trust Company meet the above requirement?**

By keeping at least the required amount of reserve on deposit with the Federal Reserve Bank.

**47. On a bank statement one often sees listed among the assets the term "Commercial Paper." What is it?**

To finance their business seasonally, many concerns of a high standing borrow money through brokers for which they give their notes. These notes are "Commercial Paper."



Digitized by Google

**48. Why are such notes "Liquid Assets?"**

Where they are backed as they usually are, by commodities in daily use—food-stuffs, wearing apparel, etc.—funds from the sale of these commodities pay off the notes. As Commercial Paper is of short maturity, due in three to six months, the Columbia Trust Company buys so that they will mature daily, thus furnishing a constant supply of funds.

**49. Explain the meaning of "Short-term Securities." This term also often appears on Bank Statements in the "Assets" column.**

Short-term Securities are interest-bearing obligations of corporations due on a definite date a few months off. For this reason, they fluctuate very little in market value. They are the most readily marketable form of investment security. The Columbia Trust Company's Statements therefore show a liberal share of the assets in such securities.

**50. What is the capital stock of the Columbia Trust Company?**

$5,000,000.

**51. How must the Trust Company invest its capital?**

The State Law is explicit. For the protection of depositors it requires that the capital of a Trust Company be invested in:

(1) Bonds or other obligations of the United States or of New York State.



Digitized by Google

(2) Bonds or other obligations of any county or incorporated city in New York State.

(3) First mortgages on real estate in New York State not exceeding 60% of its value.

**52. What additional safety fund does the Columbia Trust Company hold for the protection of its depositors?**

A surplus and undivided profit fund of over $7,000,000. This money, together with the capital stock, forms a margin of safety over and above what is due depositors.

**53. How many depositors has the Columbia Trust Company?**

Over 17,000.

**54. Is the Columbia Trust Company depositary for any public funds?**

Yes. As follows:

NEW YORK STATE funds,
under direction of State Comptroller.
NEW YORK CITY funds,
under direction of City Chamberlain.
BANKRUPTCY funds,
under direction of U. S. Courts.
"PENDING SETTLEMENT" funds,
under direction of the courts also.

The State, the City and the Judiciary, in selecting a depositary, must first have considered fully its strength and standing.



Digitized by Google

**55. What must a Paying Teller guard against?**

He must not pay a check dated ahead, a raised check, a forged check nor an altered check. He must not under-pay nor over-pay. He must not pay the wrong party. He must not pay without first ascertaining whether there are sufficient funds on hand to meet the demand.

**56. What are some of the Receiving Teller's duties?**

A Receiving Teller must see that the checks or currency deposited tally with the deposit slip. He must see that the money deposited is genuine. If counterfeits slip in and can not be traced, the bank, of course, loses. He must see that checks are not dated ahead; that they are properly endorsed.

**57. What is a protested check?**

When a check is presented for payment to the bank on which it is drawn and payment is refused because the drawer of the check has not sufficient funds to his credit to meet it, it is customary for the presenting bank to hand the check to a notary public, who again formally presents it for payment. If this time payment is refused the notary makes out a formal certificate to that effect, and notifies the drawer and all endorsers. Such action is known as "protesting" a check. The notary is entitled by law to a fee for his services, which fee is charged against the drawer of the check protested.



Digitized by Google

**58. What is a certified check?**

A certified check is one which is drawn by a depositor against his balance in the bank and subsequently presented to his bank. His bank's teller stamps across the face of the check the word "certified." The bank thereby assumes the responsibility for the amount of such check, which is immediately charged against the depositor's account. The holder of the check is thus assured of its payment on presentation if properly endorsed.

**59. Can payment be stopped on a certified check?**

No. The check once certified becomes the obligation of the certifying bank, and the payment of it cannot be stopped by the drawer.

**60. Can a certified check be canceled as not issued?**

Only by presentation to the certifying bank. A check once certified should *never be torn up or destroyed.*

**61. In depositing checks what should a depositor watch?**

Dates of checks.
Endorsements.
Comparison of amount written in words with the amount written in figures.



Digitized by Google

**62. How does a depositor receive interest on his balance?**

Each Bank has its own method. The Columbia Trust Company credits interest on deposits at the end of each month. The amount of interest is entered on a statement which is mailed to the depositor, together with his paid checks for the month.

**63. Is the crediting of monthly interest an advantage?**

Yes, decidedly, for the depositor. The monthly credit plan earns interest *on* interest. This means the advantage of compound interest over simple interest.

**64. Do checks serve as receipts for payments?**

Yes. In order to identify their checks with their payments, depositors often write on the check the object for which it is drawn.

**65. How long can checks be considered as legal evidence of payment?**

In New York, an ordinary debt is "outlawed" in six years. Checks should therefore be preserved for at least that length of time.



Digitized by Google

**66. What are the duties of the Columbia Trust Company's Auditor?**

He maintains what is called a "current audit" of all the Company's assets. He knows, without consulting the different departments, exactly what the individual records should show. By means of his books the liabilities of the bank are similarly controlled.

The Auditor of the Columbia Trust Company is independent of the authority of any one department of the Company. His work is a safety measure, primarily, for the Company's depositors.

**67. How are the functions of the Columbia Trust Company's Foreign Department classified?**

They come under two heads:

(1) Services to exporters and importers.
(2) Services to individuals.

**68. What do Foreign Department services to exporters and importers include?**

They include the study of market conditions abroad and the recommendation of channels through which foreign business connections may be made. They also include all financial facilities needed for buying and selling abroad.



Digitized by Google

**69. What are the Foreign Department's services to individuals?**

They comprise a variety of more or less personal services, including:

Collection of foreign debts.
Issuance of letters of credit.
Issuance of Travelers' checks.
Exchange of foreign notes, coin, etc.
Remittances abroad, etc.

**70. What is essential to success in foreign trade?**

Whether or not this country will maintain its leadership as an export nation depends largely upon the intelligence used in transacting business with our new customers abroad. A close co-operation between merchants and their banks is absolutely necessary for ultimate success in foreign trade.

**71. How is the Columbia Trust Company equipped to be of service to exporters and importers?**

It maintains a specialized department for such service. The officers of the Foreign Department are always on hand to explain in detail the facilities of the department.



Digitized by Google

# *Safety Measures and Management*

**72. Who is responsible for the management of the Columbia Trust Company?**

A board of 30 directors.

**73. Who are the directors?**

Charles H. Keep, *Chairman of the Board.*
Benj. L. Allen, *Vice-President of the Company.*
Ancell H. Ball, *President Best & Co.*
Howard Bayne, *Vice-President of the Company*
Samuel G. Bayne, *Pres. Seaboard National Bank.*
Union N. Bethell, *New York.*
Franklin Q. Brown, *Redmond & Co., Bankers.*
Thomas A. Buckner,
*Vice-President New York Life Insurance Co.*
A. E. Carlton, *President Holly Sugar Corporation.*
Newcomb Carlton,
*President Western Union Telegraph Co.*
Edward H. Clark,
*Vice-Pres. Cerro de Pasco Copper Corporation.*
George Crawford Clark, Jr.,
*Clark, Dodge & Co., Bankers.*



Digitized by Google

H. Benjamin Clark, *White, Weld & Co., Bankers.*

Edward Cornell, *Attorney-at-Law.*

Joseph P. Cotton, *Attorney-at-Law.*

Moreau Delano, *Brown Brothers & Co., Bankers.*

James M. Gifford, *Attorney-at-Law.*

J. Horace Harding,
*Charles D. Barney & Co., Bankers.*

A. Barton Hepburn, *Chairman Chase Nat'l Bank.*

Willard V. King, *President of the Company.*

Anthony R. Kuser,
*Vice-Pres. Public Service Corporation of N. J.*

Philip Lehman, *Lehman Brothers, Bankers.*

Alfred E. Marling, *Real Estate.*

Augustus G. Paine, Jr.,
*President New York & Pennsylvania Co.*

Noah C. Rogers, *Attorney-at-Law.*

Arthur Sachs, *Goldman, Sachs & Co., Bankers.*

Frederick Strauss, *J. & W. Seligman & Co., Bankers.*

William A. Tucker,
*Tucker, Anthony & Co., Bankers.*

Elisha Walker, *Pres. Blair & Co., Inc., Bankers.*

Frederick W. White,
*Peters, White & Company, Chemicals.*

**74. What are the duties of the Columbia Trust Company's directors?**

The Board meets once a month. The Executive Committee of the Board meets once a week, on



Digitized by Google

Thursdays. At these meetings a list is submitted to each director showing all loans made during the previous month or week in excess of $1,000, all purchases and sales of securities and other data concerning the transactions of the bank. These lists are sent to the directors the day before the meeting. This gives the directors an opportunity to make inquiries or secure any desired information in advance. In addition, some members of the Board are in almost daily consultation with the officers with reference to the Company's policies and affairs.

**75. What supervision is exercised over the Company?**

Supervision through frequent searching examinations by:

(1) A Committee of the Board of Directors.
(2) New York State Banking Department.
(3) New York City Clearing House.

**76. How does the Board of Directors safeguard depositors?**

Twice a year the Directors are required by State Law to appoint a committee of three directors to make a special examination of the Company's finances and report. Each examination lasts about fifteen days. The sworn report is finally lodged with the State Banking Department at Albany.



Digitized by Google

**77. Do the same directors always serve on this Committee?**

No. The Columbia Trust Company requires that different members of its Board shall serve on the Examining Committee in rotation. This keeps all members of the Board in active touch with the Company's affairs.

**78. How does the State safeguard depositors?**

Through the New York State Banking Department. Twice a year, unannounced, the State Bank Examiners appear on the same day at each office of the Trust Company or Bank. Their searching examinations include counting the cash, examining all investment securities, verifying deposits with other institutions and drawing off independent statements from the ledgers. In short, the examination is a complete audit of the Trust Company's or Bank's affairs.

**79. What is a "Bank Call?"**

Four times a year the Superintendent of Banks unexpectedly calls upon the Columbia Trust Company (and all other Trust Companies and Banks in the state) for its balance sheet on a certain previous day. The Officers of the Trust Company or Bank are required to sign a very binding affidavit that the "Bank Call" statement represents a true state of affairs.



Digitized by Google

**80. Is the Columbia Trust Company a member of the New York Clearing House and the Federal Reserve System?**

Yes.

**81. How does the New York Clearing House supervise its member banks and Trust Companies?**

About once a year, without notice, the New York Clearing House sends its auditors to make a minute examination of each member's affairs. The examination follows much the same plan as the examination of the State Banking Department as referred to above.

**82. What other safeguards are there for depositors' funds?**

Fire- and burglar-proof vaults, which can only be opened in the presence of two persons, one of whom must be an Officer of the Company. In addition, adequate Liability Insurance is carried to offset any possibility of loss.

**83. By whom is the Columbia Trust Company actually operated?**

By a President,
a Chairman of the Board of Directors,
eight Vice-Presidents,
one Secretary,
one Treasurer,
one Controller,
three Assistant Treasurers,



Digitized by Google

five Assistant Secretaries,
a Trust Officer,
six Assistant Trust Officers,
and Branch Office Managers;

paying tellers, registrars, clerks, stenographers, and messengers, making a total personnel of about 450.

**84. Are the Officers of the Columbia Trust Company easily accessible for consultation?**

Yes. The Officers of the Columbia Trust Company are always glad to advise on banking matters and to share their practical knowledge of investments with any depositor who may wish it.

**85. How can they be reached?**

By applying to ushers at any one of our offices, or by writing. See last page for list of Officers to address.

**86. Where are the Offices of the Columbia Trust Company, and why were the locations chosen?**

MAIN OFFICE, *60 Broadway, New York:*

This is in the heart of the financial district. The U. S. Sub-Treasury, the New York Clearing House, the Federal Reserve Bank and the Exchanges are close at hand. The location is convenient for members of the Board of Directors, many of whom are in frequent, often daily, consultation with the Columbia Trust Company's Executive Officers.



Digitized by Google

CENTRAL BRANCH, *5th Avenue and 34th Street:*

This location is in the heart of the shopping district. It is convenient for near-by business houses, hundreds of whom have recently located in this growing business district. A resident Vice-President is in charge. Special attention is paid to the convenience of women depositors by means of a Women's Department in charge of Miss Virginia D. H. Furman, an Assistant Secretary of the Company. Modern safe-deposit vaults installed in the building are for the convenience of depositors and others.

HARLEM BRANCH, *125th Street and Lenox Avenue:*

Centrally located on Harlem's main thoroughfare. This Branch Office is operated as a Harlem bank for Harlem people. It has the advantage of the financial backing of the parent company down town—a financial strength which no local banking institution could hope to offer. The Harlem Branch is under the direction of a Branch Manager. The Harlem Branch Office also is equipped with modern safe-deposit vaults.

BRONX BRANCH, *148th Street and Third Avenue:*

This is distinctly a community Bank, with the added advantage of the main Company's backing and financial strength. This Branch is housed in the Company's own building and has recently been enlarged to meet growing business demands. The Bronx Branch is under the direction of a Branch Manager. The safe-deposit vault feature also applies to this Office.



Digitized by Google

WE repeat again our willingness gladly to answer any further questions in regard to the conduct of our business. Such inquiries may be taken up personally, or will be answered by mail.

## *Officers*

CHARLES H. KEEP, Chairman of the Board
WILLARD V. KING, President

### Main Office

HOWARD BAYNE, Vice-President
BENJ. L. ALLEN, Vice-President
FRED C. MARSTON, Vice-President
ROBERT I. CURRAN, Vice-President
WALTER G. KIMBALL, Treasurer
CHARLES E. WOLFF, Controller
ARTHUR W. HUTCHINS, Secretary
HOWARD E. RIDER, Assistant Treasurer
GEORGE S. MILLS, Assistant Secretary
OLIVER C. WAGSTAFF, Assistant Secretary
F. COLSSON KELLY, Assistant Secretary
W. J. PFIZENMAYER, Auditor

### Trust Department

GEORGE E. WARREN, Vice-President
ORRIN R. JUDD, Trust Officer
A. N. HAZELTINE, Assistant Trust Officer
WILLARD C. MASON, Assistant Trust Officer
SAMUEL M. SPEDON, Assistant Trust Officer
W. MILLERD MORGAN, Assistant Trust Officer
MELVILLE W. TERRY, Assistant Trust Officer

### Foreign Department

S. STERN, Vice-President
FREDRICK G. HERBST, Manager
JOHN MATTHEWS, JR., Assistant Treasurer

### Uptown Office

HARRIS A. DUNN, Vice-President
J. SPERRY KANE, Vice-President
HENRY M. ATKINS, Assistant Trust Officer
ARTHUR DALY, Assistant Secretary
WILLIAM E. DOBBIN, Assistant Treasurer

### Women's Department

VIRGINIA D. H. FURMAN, Assistant Secretary

### Harlem Branch

VERNON P. BAKER, Manager
HERBERT I. ELFE, Assistant Manager
HENRY THOESEN, Assistant Manager

### Bronx Branch

FRED BERRY, Manager
A. B. ATKINSON, Assistant Manager
HARRY WEISS, Assistant Manager



Digitized by Google

595-6-SB
5-37

Digitized by Google

Digitized by Google

Digitized by Google